

Now, consider why this quality reform is not happening spontaneously all over the country if those big savings are there waiting to be tapped. Think of Michigan: In 15 months, in one State, with not even all of the intensive care units participating, \$156 million was saved. A report out of Pennsylvania showed they spent over \$2 billion a year on hospital-acquired infections.

Why is quality reform not happening everywhere? Well, primarily because the economics of health care punish you if you try. For example, a group of hospitals in Utah began following guidelines of the American Thoracic Society for treating community-acquired pneumonia. Significant complications fell from 15.3 percent to 11.6 percent. Inpatient mortality—a nice way of saying fewer people died—fell from 7.2 percent to 5.3 percent, and the resulting cost savings exceeded \$500,000 per year.

Sounds like another success story. But the net operating income of the facilities participating dropped by over \$200,000 a year because the treatment that resulted in the healthier patients was reimbursed at \$12,000 per case less.

In Rhode Island, we saw the same thing. When we started the ICU reform, I talked to the Hospital Association of Rhode Island, and they estimated a \$400,000 cost per intensive care unit, but as much as \$8 million in savings—a 20-to-1 payback. I said: Why not go for this? They said: You don't understand. All the savings go to the insurers. For us, this is \$400,000 cash out of our pockets, and potentially \$8 million out of our top line in revenues.

Name a business that will sensibly invest \$400,000 out of its cash to lose \$8 million in revenues. With reimbursement incentives like those, it is no wonder reform is such an uphill struggle.

We are at such a primitive stage in developing cost-saving, quality measures, and the economics work against us, so we have to tackle this now. An idea that will get us started: In my Improved Medical Incentive Act, I propose that State medical societies and specialty groups be allowed to present "best practices" to their local State health departments. If they do, and a Health Department determines this is a best practice that will save money and save lives, then two consequences follow. CMS would be obliged to create a pricing differential favoring those best practices, and private insurers would be forbidden to deny claims for services consistent with the approved best practices. If people want to object, fine. Go to the hearing. Let's do this in a regular fashion.

The determination of what gets paid for in our health care system right now is made in back rooms of the claims denial operations of insurance companies in scattered fashion, largely without oversight or review and laboring under heavy conflict of interest. If we move that determination toward proper for-

mal hearings, we can expand statewide best practices in a way that the economics will support.

Our health care problem is serious, it is vast, and it is looming. Health care IT is a crucial instrument in the health care reform toolbox, but it is not an end in itself. To fully realize its benefits, it must be coupled with a focus on quality improvement and a realignment of payment incentives. These three elements must move forward together.

Let me emphasize in conclusion as energetically as I can: The time is now. Time is wasting now. The need is urgent. It may not feel like it, but solving this problem with system reforms such as this will take several years. If we don't start now, when the fiscal tsunami hits, we will be left with only fiscal solutions to the problem. It is immediate ones but unpleasant ones, including massive tax hikes or massive benefit cuts. If we are standing here, and if I am standing here 5 or 10 years from now having that tragic choice in front of me, well, shame on us if in our folly, in our improvidence, we were too intellectually lazy and too bereft of basic foresight to have taken the steps now that could have averted that sickening choice.

As my colleagues know, we are seeing the beginnings of this debate now. The Bush administration has squandered its opportunity for meaningful health information technology reform, has squandered its opportunity for meaningful quality reform, and has squandered its opportunity for meaningful reimbursement design reform. Now, in the 2009 budget the President presented, he is proposing deep cuts in Medicare. We have to get ahead of this problem. This is a wake-up call. The time is now.

I look forward to working with my colleagues on both sides of the aisle to get this important work done.

Mr. President, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. FEINGOLD. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### RECESS

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until 1:15 p.m.

Thereupon, the Senate, at 12:30 p.m., recessed until 1:17 p.m., when called to order by the Presiding Officer (Mrs. MCCASKILL).

#### MORNING BUSINESS

Mr. REID. Madam President, I ask unanimous consent that there be a period of morning business until 2 p.m., with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BROWN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### CELEBRATING BOY SCOUT DAY

Mr. BROWN. Madam President, 98 years ago today, William Dickson Boyce created one of this country's longest standing and most important community organizations—the Boy Scouts of America. Today, we join Scouting groups across the country and Ohio—Toledo and Cincinnati, Chillicothe and Lakewood—in celebrating Boy Scout Day.

The Boy Scouts of America has a rich tradition of teaching valuable skills to the young men of this country. The values which Scouting instills—fairness, honor, courage, and respect for others—prepare young men to serve their families and their Nation.

There are more than 3 million boys in the Scouting program, and in the past year alone Scouts have earned nearly 2 million merit badges and completed more than 33 million hours of community service.

As an Eagle Scout, I recognize the hard work involved in Scouting and commend the dedication and commitment of Boy Scouts and the Scouting movement across our country. The journey to Eagle is sometimes difficult, often fun, occasionally disappointing, and always rewarding. My time as a Boy Scout, in the end, provided me with opportunities to develop leadership and organizational skills, helped me to clarify and articulate my guiding principles, and instilled a commitment to public service.

The emphasis on community service I learned with Troop 110 in Mansfield, OH, has strongly influenced my lifelong commitment to public service. The memories and lessons of Camp Avery Hand and Philmont Scout Ranch, of success and failure in earning merit badges, will always remain with me.

The Scout Law is a framework that continues to inspire my work to this day:

A Scout is Trustworthy, Loyal, Helpful, Friendly, Courteous, Kind, Obedient, Cheerful, Thrifty, Brave, Clean, and Reverent.

I am a proud supporter of the Boy Scouts of America. I hope my colleagues will join me in celebrating Boy Scout Day.

#### TRADE POLICY

Mr. BROWN. Madam President, the United States should not be playing